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MINNEAPOLIS, MN 55402			ART UNIT	PAPER NUMBER
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			11/29/2007	ELECTRONIC

**Please find below and/or attached an Office communication concerning this application or proceeding.**

The time period for reply, if any, is set in the attached communication.

Notice of the Office communication was sent electronically on above-indicated "Notification Date" to the following e-mail address(es):

USPTO@SLWIP.COM

<b>Office Action Summary</b>	<b>Application No.</b> 10/023,583	<b>Applicant(s)</b> GROVE ET AL.	
	<b>Examiner</b> Siegfried E. Chencinski	<b>Art Unit</b> 3692	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

### Status

- 1) ☒ Responsive to communication(s) filed on 14 December 2001.
- 2a) ☒ This action is **FINAL**.                      2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

### Disposition of Claims

- 4) ☒ Claim(s) 1-35 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-35 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All    b) ☐ Some \*    c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
  2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
  3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

\* See the attached detailed Office action for a list of the certified copies not received.

### Attachment(s)

- |   |   |
|---|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892)   | 4) <input type="checkbox"/> Interview Summary (PTO-413)<br>Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948)                                  | 5) <input type="checkbox"/> Notice of Informal Patent Application                       |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08)<br>Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____  |

## DETAILED ACTION

### 1. Re. Applicant's Petition to Make Special

The record shows that a letter was mailed to Applicant on September 7, 2006 stating that Applicant's petition was not approved.

A copy of this letter is enclosed for Applicant's convenience.

### ***Claim Rejections - 35 USC § 103***

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

2. **Claims 1-35 are rejected** under 35 U.S.C. 103(a) as being unpatentable over Esposito et al. (US Patent 6,587,838 B1).

**Re. Claims 1, 18 & 35**, Esposito discloses a method, system and medium to enable users to interact with the system over heterogeneous network environments such as a packet switched network such as the Internet and a wireless network such as a plurality of pagers to learn about and express interest in products and services stored in a database (Abstract, ll. 1-6, 10-16). It would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention that Esposito's disclosure includes the facilitating of a transaction by a network-based transaction facility, the method including: to view offerings that are offered for sale via the network-based transaction facility; responsive to the request, retrieving information concerning a plurality of offerings, wherein the plurality of offerings include a first offering of a first transaction type and a second offering of a second transaction type; integrating information concerning the first and second offerings into a commingled list; and causing the display of the commingled list to the buyer. Therefore, it would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have used Esposito's disclosures to facilitate a

transaction by a network-based transaction facility, motivated by a desire to provide real-time notifications to vendors of purchaser requirements in a heterogeneous network environment, and a virtual market place system that incorporates the human element in the purchase and sale transaction (Esposito, Col. 1, ll. 30-34, 60-62).

**Re. claims 2-17 & 19-34**, Esposito does not explicitly disclose the exact language of Applicant's claims. However, **re. claims 4 & 21**, it would have been obvious to the ordinary practitioner at the time of Applicant's invention to receive a request from a buyer accessing the network -based transaction facility to view the offerings includes receiving a request from a buyer accessing a network-based auction facility to view only offerings offered for sale via the network-based transaction facility by a specific seller. Further, **re. Re. claims 2, 3, 5-17, Re. claims 2-17 & 19-34, 19, 20 & 22-34**, the examiner takes Official Notice that it was well known at the time of Applicant's invention wherein: 2. the first transaction type implements a first price-setting process, and the second transaction type implements a second price-setting process; 3. the at least one of the first and second price-setting processes includes a fixed price-setting process, an auction price-setting process, and an hybrid auction/fixed price setting process; 5. retrieving the information concerning the plurality of offerings includes retrieving offerings of a plurality of transaction types that meet a keyword search criteria provided by the buyer; 6. the keyword search criteria includes searching titles and descriptions, stored by the network-based transaction facility, of the plurality of offerings; 7. causing the display of the commingled list to the buyer includes causing display of the commingled list sorted according to price of the plurality of offerings; 8. causing the display of the commingled list sorted according to the price of the items includes causing display of the commingled list sorted by price in descending order; 9. causing the display of the commingled list for the buyer includes causing the display of a predetermined number of the plurality of offerings in the commingled list to the buyer; 10. predetermined number of the parameter offerings is specified by the buyer; 11. causing the display of the commingled list to the buyer includes filtering the commingled list to into offerings of a specific transaction type only; 12. further including causing the display of offerings of the specific transaction type, wherein the offerings of the specific transaction type are sorted

according to price; 13. the specific transaction type is an auction transaction type, the method including causing the display of offerings of the auction transaction type only, wherein the offerings of the auction transaction type are sorted according to end time of a respective auction; 14. causing display of the commingled list includes: determining if there is additional information concerning each offering for which information is included within the commingled list; if so, retrieving the additional information associated with at least one offering for which information is included within the commingled list; and displaying the additional information associated with the at least one offering within the commingled list; 15. the additional information includes any one of a thumbnail image associated with the offering, a title associated with the offering, applicable icons associated with the offering, the price of the offering, number of bids associated with the offering, or ending time associated with the offering; 16. the causing of the display of the commingled list includes generating a markup language document including the commingled list; 17. the causing of the display of the commingled list includes transmitting the markup language document from the network-based transaction facility, via a network, for display on a client computer system. Therefore, it would have been obvious to an ordinary practitioner of the art at the time of Applicant's invention to have used Esposito's disclosures to facilitate a transaction by a network-based transaction facility, motivated by a desire to provide real-time notifications to vendors of purchaser requirements in a heterogeneous network environment, and a virtual market place system that incorporates the human element in the purchase and sale transaction (Esposito, Col. 1, ll. 30-34, 60-62).

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**Response to Arguments**

3. Applicant's arguments filed August 13, 2007 regarding claims 1-35 have been fully considered but they are not persuasive.

**ARGUMENT:** "The Office Action fails to meet its burden for establishing a *prima facie* case of obviousness with respect to claims 1-35. This general argument includes the following supporting arguments:

- (1) The Office Action fails to point out evidence, a disclosure or suggestion of the subject matter in claims 1-35 (p. 11, ll. 14 – p. 12, l. 19).
- (2) The description in Esposito et al. actually teaches away from "integrating information concerning the first and second offerings into a commingled list, and causing the display of the commingled list to the buyer," as included in independent claim 1. (p. 12, l. 20 – p. 12, l. 27).
- (3) In a further illustration of subject matter included in claims 1-35 and not disclosed or suggested by Esposito et al.: elements of claims 18 and 35 (p. 13, l. 28 – p. 14, l. 19).
- (4) Applicant objects to the use of Official Notice that certain claim elements were "well known" information in regards to the rejections of dependent claims 2, 11 and 13 (p. 14, l. 24 – p. 15, l. 20).
- (5) The examiner has used hindsight reconstruction of the subject matter of claims 1-35 (p. 15, ll. 20-26).

**RESPONSE:**

A. The Board of Patent Appeals and Interferences has presented relevant highlights of the US Supreme Court's April, 2007 KSR decision in a decision on another application being appealed to the Board. These highlights are presented here for Applicant's convenience:

BPAI, *Ex parte* CATAN, Appeal 2007-0820, Decided: July 3, 2007

**PRINCIPLES OF LAW**

"Section 103 forbids issuance of a patent when 'the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a

person having ordinary skill in the art to which said subject matter pertains.” *KSR Int’l Co. v. Teleflex Inc.*, 127 S.Ct. 1727, 1734, 82 USPQ2d 1385, 1391 (2007).

The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18, 148 USPQ 459, 467 (1966). See also *KSR*, 127 S.Ct. at 1734, 82 USPQ2d at 1391 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”) The Court in *Graham* further noted that evidence of secondary considerations, such as commercial success, long felt but unsolved needs, failure of others, etc., “might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” 383 U.S. at 18, 148 USPQ at 467.

In *KSR*, the Supreme Court emphasized “the need for caution in granting a patent based on the combination of elements found in the prior art,” *id.* at 1739, 82 USPQ2d at 1395, and discussed circumstances in which

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a patent might be determined to be obvious without an explicit application of the teaching, suggestion, motivation test.

In particular, the Supreme Court emphasized that “the principles laid down in *Graham* reaffirmed the ‘functional approach’ of *Hotchkiss*, 11 How. 248.” *KSR*, 127 S.Ct. at 1739, 82 USPQ2d at 1395 (citing *Graham v. John Deere Co.*, 383 U.S. 1, 12, 148 USPQ 459, 464 (1966) (emphasis added)), and reaffirmed principles based on its precedent that “[t]he combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results.” *Id.* The Court explained:

When a work is available in one field of endeavor, design incentives and other market forces can prompt variations of it, either in the same field or a different one. If a person of ordinary skill can implement a predictable variation, §103 likely bars its patentability. For the same reason, if a technique has been used to improve one device, and a person of ordinary skill in the art would recognize that it would improve similar devices in the same way, using the technique is obvious unless its actual application is beyond his or her skill.

*Id.* at 1740, 82 USPQ2d at 1396. The operative question in this “functional approach” is thus “whether the improvement is more than the predictable use of prior art elements according to their established functions.” *Id.*

The Supreme Court made clear that “[f]ollowing these principles may be more difficult in other cases than it is here because the claimed subject matter may involve more than the simple substitution of one known element for another or the mere application of a known technique to a piece of prior art ready for the improvement.” *Id.* The Court explained, “[o]ften, it will be necessary for a court to look to interrelated teachings of multiple patents; the effects of demands known to the design community or present in the marketplace; and the background knowledge possessed by a person having ordinary skill in the art, all in order to determine whether there was an apparent reason to combine the known elements in the fashion claimed by the patent at issue.” *Id.* at 1740-41, 82 USPQ2d at 1396. The Court noted that “[t]o facilitate review, this analysis should be made explicit. *Id.* (citing *In re Kahn*, 441 F.3d 977, 988, 78 USPQ2d 1329, 1336 (Fed. Cir. 2006)) (“[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness”). However, “the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ.” *Id.* at 1741, 82 USPQ2d at 1396.

**B. In the instant case,**

- (1) KSR reinforced the requirement that the examiner also make a determination of what the ordinary practitioner at the time of the invention would have or should have known about the subject matter, and what common sense would have suggested to the practitioner. The examiner has presented such rationale in the rejections of claims 1-35. In the instance of retrieving information, the broadest interpretation required of the examiner means that the user in Esposito is retrieving information in Applicant's cited instance. He would not be making the effort to look at the information if he was not retrieving specific information in he consider of a purchase transaction.
- (2) Esposito teaches “The vendor computer has one or more databases for storing information about products and services in a product database, and a customer



database, for storing information about customers. A plurality of client computers are part of the system. The client computers enable users to interact with the system to learn about and express interest in products and services." (Abstract, ll. 10-16). Further, Esposito teaches "Each of the client computers is able to present to a user a plurality of product options and services from which the user can make a selection. Responsive to the users' input indicating a particular product from a menu, the client computer provides product information such as pictures, retrieved from the product database by the vendor computer over the public packet switched network"(Col. 2, ll. 13-16). Therefore, Esposito teaches or suggests "integrating information concerning the first and second offerings into a commingled list, and causing the display of the commingled list to the buyer".

(3) Claims 18 and 35 are independent system and medium claims, respectively. As such, they are considered to be inherent in the Esposito disclosure since the Esposito teaching is based on a computerized system, so that these components must be present to make the computerized system work.

(4) Applicant objects to the use of Official Notice that certain claim elements were "well known" information in regards to the rejections of dependent claims 2, 11 and 13 (p. 14, l. 24 – p. 15, l. 20).

Official Notice is permitted by MPEP 2144.04. This practice is summed up in *I re Ahlert* as follows: "... , as noted by the court in *Ahlert*, any facts so noticed should be of notorious character and serve only to "fill in the gaps" in an insubstantial manner which might exist in the evidentiary showing made by the examiner to support a particular ground for rejection. It is never appropriate to rely solely on common knowledge in the art without evidentiary support in the record as the principal evidence upon which a rejection was based. See *Zurko*, 258 F.3d at 1386, 59 USPQ2d at 1697; *Ahlert*, 424 F.2d at 1092, 165 USPQ 421".< (MPEP 2144.03, E. Summary). In the instant use of Official Notice by the examiner, this use meets the test in *Ahlert*. The examiner made use of Official Notice in several instances involving dependent claim limitation elements which the examiner judged to be insubstantial filling of the gaps with minor steps the ordinary practitioner would clearly and notoriously have known. These dependent steps

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could easily be rejected as obvious as well. The dependent claims whose rejection as "well known" is being objected are dependent claims 2, 11 and 13. These claims read as follows:

Claim 2. "the first transaction type implements a first price-setting process, and the second transaction type implements a second price-setting process". It is well known through obviousness that each claimed transaction type implicitly has its own price setting process. A plurality of the same type of transaction would not be called a different transaction type in the broadest meaning of these terms.

Claim 11. "causing the display of the commingled list to the buyer includes filtering the commingled list to into offerings of a specific transaction type only". It would be well known and obvious common sense to filter transactions according to transaction type when presenting a commingled list of offerings to a buyer. The buyer would otherwise be left to make the effort to unscramble the commingled list himself in order to make any sense of the list for a useful purpose such as for making a purchasing decision.

Claim 13. "the specific transaction type is an auction transaction type, the method including causing the display of offerings of the auction transaction type only, wherein the offerings of the auction transaction type are sorted according to end time of a respective auction"; Auction type transactions have been known world wide for centuries, as is the use of the auction's end time

#### (5) MPEP 2145 X. A. - HINDSIGHT RECONSTRUCTION

Applicants may argue that the examiner's conclusion of obviousness is based on improper hindsight reasoning. However, "[a]ny judgement on obviousness is in a sense necessarily a reconstruction based on hindsight reasoning, but so long as it takes into account only knowledge which was within the level of ordinary skill in the art at the time the claimed invention was made and does not include knowledge gleaned only from applicant's disclosure, such a reconstruction is proper." *In re McLaughlin* 443 F.2d 1392, 1395, 170 USPQ 209, 212 (CCPA 1971). Applicants may also argue that the combination of two or more references is "hindsight" because "express" motivation to combine the references is lacking. However, there is no requirement that an "express, written motivation to combine must appear in prior art references before a finding of obviousness." See *Ruiz v. A.B. Chance Co.*, 357 F.3d 1270, 1276, 69 USPQ2d 1686, 1690 (Fed. Cir. 2004). For example, motivation to combine prior art references may exist in the nature of the problem to be solved (*Ruiz* at 1276, 69 USPQ2d at 1690) or the knowledge of one of ordinary skill in the art (*National Steel Car v. Canadian Pacific*

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*Railway Ltd.*, 357 F.3d 1319, 1338, 69 USPQ2d 1641, 1656 (Fed. Cir. 2004)). See MPEP § 2143.01 <2100 2143 01.htm> for a discussion of proper motivation to combine references.

In conclusion, the examiner believes that the above rejections under the 35 USC 103(a) obviousness statute are in compliance with the MPEP and with the above cited court opinions and decisions.

### **Conclusion**

**4. THIS ACTION IS MADE FINAL.** Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the mailing date of this final action.

Any inquiry concerning this communication or earlier communications from the Examiner should be directed to Siegfried Chencinski whose telephone number is (571)272-6792. The Examiner can normally be reached Monday through Friday, 9am to 6pm.

If attempts to reach the Examiner by telephone are unsuccessful, the Examiner's supervisor, Alexander Kalinowski, can be reached on (571) 272-6771.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>.

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Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

Any response to this action should be mailed to:

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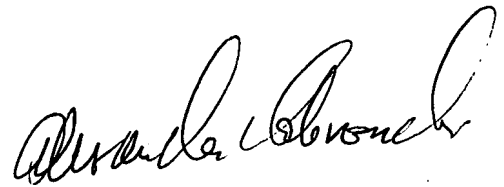
or Faxed to (571)273-8300 [Official communications; including After Final communications labeled "Box AF"]

or Faxed to (571) 273-6792 [Informal/Draft communications, labeled "PROPOSED" or "DRAFT"]

Hand delivered responses should be brought to the address found on the above USPTO web site in Alexandria, VA.

SEC

March 30, 2007

A handwritten signature in black ink, appearing to read 'Alexander Kalinowski', written in a cursive style.

ALEXANDER KALINOWSKI  
SUPERVISORY PATENT EXAMINER